BRIEF FOR PETITIONER IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

To the Honorable, the Chief Justice and Associate Justices of the Supreme Court of the United States:

THE OPINIONS OF THE COURTS BELOW.

The District Court filed no opinion, but entered findings of fact and conclusions of law (R. 1104) and an interlocutory decree (R. 1108).

The Court of Appeals handed down a first opinion, reported at 46 USPQ 440, 30 T. M. Rep. 477. Then, first, under the guise of a letter asking amendment of the decision prior to its going to press, and, second, by a petition to modify opinion, respondents obtained modification of parts of the opinion in respect to PYREX.* The amended opinion is reported at 113 F. (2d) 956 (R. 1205). Petitioner was not given a hearing on this amendment.

The opinions are more fully discussed in the petition, page 5 *et seq.*

JURISDICTION.

The decision below was entered on July 19, 1940 (R. 1205).

A petition for rehearing was duly filed August 3, 1940, which was denied August 29, 1940.

The Judgment was rendered in a suit in equity brought

*In 30 T. M. Rep. 529, the change made by the Eighth Circuit Court of Appeals is set forth. It, after delivery of the original opinion to the parties, ordered the statement deleted that "this word (PYREX) has passed from the control of Corning and has been adopted by the public as a part of the English language"; and it added to the original opinion that "We are not holding that the mark has ceased to exist or lost its validity as Corning's trade-mark."

The procedure by which the changes were made was substantially ex parte, and the alterations did not increase the clarity of the opinion.

under the Federal Trade-Mark Act of 1905, *U. S. C., Title 15, §§ 81-108,* as amended; and more specifically under *§§5, 16-17, 1920,* of the Act *(U. S. C., Title 15, §§ 85, 96-97, 99-100).*

The statutes under which jurisdiction of this Court is invoked are *§ 240 (a)* of the *Judicial Code,* as amended by the Act of February 13, 1925; *U. S. C., Title 28, § 347 (a),* and *U. S. C., Title 15, § 98.*

STATEMENT OF THE CASE.

The facts are clearly set forth in the petition (p. 2 *et seq.*).

STATUTES INVOLVED.

The statute under which this suit was filed is *U. S. Code, Title 15, Sections 96 and 99,* of which the pertinent portions are as follows:

> "Sec. 96. * * * Any person who shall, without the consent of the owner thereof, reproduce, counterfeit, copy, or colorably imitate any such trade-mark and affix the same to merchandise of substantially the same descriptive properties as those set forth in the registration, * * * shall be liable to an action for damages therefor at the suit of the owner thereof."
>
> "Sec. 99. That the several courts vested with jurisdiction of cases arising under the present act shall have power to grant injunctions, according to the course and principles of equity, to prevent the violation of any right of the owner of a trade-mark registered under this act, on such terms as the court may deem reasonable; and upon a decree being rendered in any such case for wrongful use of a trade-mark the complainant shall be entitled to recover, in addition to the profit to be accounted for by the defendant, the damages the complainant has sustained thereby, and

the court shall assess the same or cause the same to be assessed under its direction. * * *"

The pertinent part of the Act of May 4, 1906, amending the Trade-Mark Act of 1905 is:

"Sec. 2. That the Commissioner of Patents shall establish classes of merchandise for the purpose of trade-mark registration, and shall determine the particular descriptions of goods comprised in each class. On a single application for registration of a trade-mark the trade-mark may be registered at the option of the applicant for any or all goods upon which the mark has actually been used comprised in a single class of merchandise, provided the particular descriptions of goods be stated."

The jurisdiction of the District Court was based on *U. S. Code, Title 15, Section 97*, which reads as follows:

"The district and territorial courts of the United States and the district court of the United States for the District of Columbia shall have original jurisdiction, and the circuit courts of appeal, of the United States * * * shall have appellate jurisdiction of all suits * * * in equity respecting trade-marks registered in accordance with the provisions of this subdivision of this chapter, arising thereunder, without regard to the amount in controversy."

The jurisdiction of this Court is based upon *U. S. Code, Title 15, Section 98*, which reads as follows:

"Writs of certiorari may be granted by the Supreme Court of the United States for the review of cases arising under this subdivision of this chapter in the same manner as provided by section 347 of Title 28, Judicial Code and Judiciary."

Said *Title 28, Section 347*, reads as follows:

"(a) In any case, civil or criminal, in a circuit court

of appeals, or in the Court of Appeals of the District of Columbia, it shall be competent for the Supreme Court of the United States, upon the petition of any party thereto, whether Government or other litigant, to require by certiorari, either before or after a judgment or decree by such lower court, that the cause be certified to the Supreme Court for determination by it with the same power and authority, and with like effect, as if the cause had been brought there by unrestricted writ of error or appeal. * * *"

SPECIFICATION OF ERRORS.

The errors upon which petitioner shall rely if the writ of certiorari is granted are that the Court of Appeals erred:

1. In holding that the recitation in the registration certificate of the goods upon which the mark had been actually used comprised a disclaimer of all other analogous goods.

2. In holding that the expansion of business to related products doctrine does not apply to a case of infringement of a registered trade-mark.

3. In reversing the District Court by deciding that the expansion of business doctrine cannot apply to protect expected future products unless the expected future products have actually been made at the present.

4. In reversing the District Court by deciding that the respondent's glass bottles and glassware are not of the same descriptive properties as petitioner's glass bottles because the doctrine of expansion of business does not apply to registered trade-marks.

5. In reversing the District Court's findings of fact without pointing out the manifest errors, particularly when the findings stand substantiated by established proof.

6. In reversing the District Court's finding of fact that respondent's use of PYREX on glass bottles and glassware is an infringement of petitioner's registered trade-mark REX for glass bottles.

7. In holding that "Rex nursing bottles are not similar to Pyrex bottles, either in material, appearance or price."

8. In failing to affirm the District Court.

SUMMARY OF ARGUMENT.

The points of the argument hereinbelow follow the reasons relied upon for the allowance of the writ set forth in the annexed petition, pages 9-12, and are, briefly:

Point 1.

The statement or description in a federal trade-mark registration of the particular goods upon which the mark has been used is required by the Federal Trade-Mark Act of 1905 as amended May 4, 1906, as a matter of procedure, and is not a substantive disclaimer of all other analogous goods.

Point 2.

An interpretation of the statement of particular goods required by the Federal Trade-Mark Act of 1905 as amended May 4, 1906, as a disclaimer, which is what the Eighth Circuit Court of Appeals has done below, is a declaration that the same is a matter of substance and is in conflict with the decisions of the other Circuit Courts of Appeals and is a manifest violation of the rule of *stare decisis.*

Point 3.

The doctrine of expansion of business to related products applies as well to a case of infringement of a technical

registered trade-mark as to a case of unfair competition. Manifestly, a requirement that the trade-mark registrant actually manufacture the disputed products prior to the use thereon by the junior user of the infringing mark, which is the ruling of the Eighth Circuit Court of Appeals, is unsound.

Point 4.

The findings of fact of the District Court in respect to the descriptive properties of the goods and the similarity of the marks involved must be accepted as correct, unless clearly shown to be erroneous.

Point 5.

The effect of the important federal questions untenably decided by the Eighth Circuit Court of Appeals is of great public importance and interest.

ARGUMENT.

Point 1.

The statement or description in a federal trade-mark registration of the particular goods upon which the mark has been used is required by the amendment of May 4, 1906, to the Federal Trade-Mark Act of 1905. Up to this time, the requirement has been considered by the courts and the Patent Office to be only a matter of procedure, and *not* a substantive disclaimer of *all other goods not specifically listed.*

The pertinent portion of the Act of May 4, 1906 amending the Federal Trade-Mark Act of 1905 provides that:

> "On a single application . . . the trade-mark may be registered . . . for any or all goods upon which the mark has actually been used comprised in a single class of merchandise, provided the particular description of goods be stated."

Rule 22 (b) of the Patent Office incorporates the aforesaid as one of the requisites of an application, setting forth that the application shall include the statement of:

> "* * * the class of merchandise (according to the official classification), and the particular description of goods comprised in such class upon which the trade-mark has actually been used, * * *."

The statute and *Rule 22 (b)* required the statement appearing in petitioner's registration that the mark had been used on prescription bottles. The statement was merely a fulfillment of a *procedural requisite of the Patent Office.* Petitioner, therefore, complied with the procedural requirements, but in *no* sense did it disclaim *all other analogous goods.*

This procedural requirement is explained by the decision of the Commissioner of Patents, *Ex parte Scurlock*

Kontanerette Co., 37 USPQ 87, 163 MS. 5, 28 T. M. Rep. 274, in which an applicant for registration sought to register a mark for "bottles, in class 33, glassware." The registration was refused because bottles of different materials fall into four different Patent Office classes of trademarks. Conceding that "a bottle is a bottle regardless of the material it is made from," and that bottles of different material "doubtless possess the same descriptive properties," the Commissioner held that

> "It would be neither practical nor desirable to include within any particular class all goods which have been held to be of the same descriptive properties; and a reclassification along the line suggested by applicant would result in the establishment of hundreds of classes to replace the forty-nine now existing."

Even though a mark be obviously applicable to related goods in the same class, the Commissioner refuses to permit recitation of the goods in the registration *unless actually used.*

In *Affiliated Products Co. v. Crazy Water Co.*, 37 USPQ 230, 163 MS. 12, a mark was sought to be registered for "shaving cream and shaving, toilet and bath soaps." Actual use had been made only on shaving cream. The others were ordered deleted from the application. This was affirmed by the Court of Customs and Patent Appeals, 104 F. (2d) 366, 42 USPQ 22. See, also, *A. C. Buschman & Co. v. Bradley*, 46 USPQ 279.

The general rule that has heretofore been followed by the Patent Office (and by the courts) is well expressed by the Court of Customs and Patent Appeals in *Harlan-Wallins Coal Corp. v. Transcontinental Oil Co.*, 64 F. (2d) 122, 17 USPQ 230:

> "This court has never deemed the Patent Office classification of articles to be of controlling importance

in the ascertainment of whether two articles are of the same descriptive properties."

All prior custom and practice has made the Act of May 4, 1906 procedural rather than substantial until the present decision. The present decision, like a bolt from the blue, makes it a matter of substance.

In its decision the Eighth Circuit Court of Appeals states (R. 1212):

> "* * * The registered trade-mark is limited by its claim, and the applicant is concluded by his statement made a part of his application."

The Court applied the *disclaimer principle of patents* as expressed by this Court in *Sontag Chain Stores Co. v. National Nut Co.*, 310 U. S. 281, 60 S. Ct. 961, 967, 84 L. ed. 881, to registered trade-marks, quoting from the case! In winding up its decision, the Court stated (R. 1219):

> "So here, the defendant could not certainly, in face of the declared purpose of plaintiff to limit its trade-mark 'Rex' to prescription bottles, and its conduct in limiting its products to such bottles, have anticipated that it would begin to manufacture and sell nursing bottles."

As a matter of fact, the petitioner manufactured nursing bottles in and prior to 1922 (R. 281, etc.), of which the respondents have attempted to make much, and has manufactured nursing bottles to date. From the actual facts of this case it is clear beyond doubt, since it is a fact, that nursing bottles *do* come from manufacturers of other bottles.

It will hereafter be pointed out that the uniform accepted practice of the courts has been to consider the 1906 amendment *wholly procedural,* and in no sense a limitation upon the *substantive rights* of the 1905 Act. This Court

has never before ruled on the point. Even if the Eighth Circuit interpretation be correct, it is so radical a departure from accepted custom and practice in commerce, in the Patent Office, and in law, that it should have early acceptance or rejection by this Court, the one authoritative body.

Point 2.

The adjudging that the specification of goods required by the 1906 amendment constitutes a disclaimer is in conflict with the accepted law of other circuits. The doctrine of *stare decisis* is squarely applicable. While no court has ever apparently been called upon specifically to interpret the amendment, there are a number of decisions whose unmistakable intent is in direct conflict, and which must have been decided exactly oppositely had the present interpretation been proper.

Rosenberg Bros. & Co. v. Elliott, 7 F. (2d) 962 (C. C. A. 3);
Mantle Lamp Co. v. Aladdin Mfg. Co., 78 F. (2d) 426 (C. C. A. 7);
Waterman Co. v. Gordon, 72 F. (2d) 272 (C. C. A. 2);
Duro Co. v. Duro Co., 27 F. (2d) 339 (C. C. A. 3).

Particularly pertinent is the *Rosenberg* case, *supra*, upon which the Eighth Circuit Court of Appeals strongly relied to support its statement in respect to the third point presented by this brief, which is the only case specifically applying the expansion of goods theory to a registered trade-mark. In the *Rosenberg* case, the use of "Fashion Park" on hats and caps was held to be an infringement of "Fashion Park" on men's clothing. The mark "Fashion Park" owned by the plaintiff in that case was registered only for suits and coats, and the certificate did not specify hats and caps for the very simple procedural reason that

the mark was not being used by the registrant upon hats and caps at the time the registration was obtained. Yet, as has just been stated, infringement of the *registered* trade-mark was held to exist. If the disclaimer rule had applied, necessarily the decision would have been contrary.

In the *Waterman* case, *supra,* the registration of the plaintiff there specified fountain pens, mechanical pencils and similar writing instruments. It did not specify razor blades. Infringement could not have been found under the disclaimer interpretation. But Judge Hand and the Second Court of Appeals found infringement.

The other cases cited above are in line with the *Rosenberg* and *Waterman* cases, particularly commented upon. It has never been considered necessary by any of the courts to specifically rule upon the point of whether or not disclaimer is involved, since the words of the statute are so plain.

As far as we have been able to ascertain by diligent search, this Court has never specifically ruled upon the point in question, although *Rock Spring Distilling Co. v. W. A. Gaines & Co.,* 246 U. S. 312, 62 L. ed. 738, can be placed in the class of cases assuming the rule to be contrary to the present decision.* Certainly this Court has never ruled that the statement or description in a federal trade-mark registration of the particular goods upon which the mark has been used is a disclaimer of all other analogous goods.

Apparently, the Eighth Circuit Court of Appeals was led into the error by a completely erroneous application of this Court's decision in *Sontag Chain Stores Co. v. Na-*

*This Court therein quoted, with approval of the substance, the following (p. 320):

"* * * The court said that 'whatever the extended classifications and subclassifications of the Patent Office practice may contemplate, neither the common law nor the registration statute can intend such confusion as must result from recognizing the same trade-mark as belonging to different people *for different kinds of the same article.*" (Emphasis added.)

tional Nut Co., 310 U. S. 281, 84 L. ed. 881, a recent decision applying only to patents. Certainly, the Court of Appeals surprisingly recited parts of the *Sontag* case as support for the position. Here it evidenced a miscomprehension of the difference between patents and trade-marks. Patents are based upon claims, and what is not claimed is dedicated to the public. In trade-marks, no claims are provided by the statute, and none are possible. The *Sontag* case cannot apply by any stretch of imagination.

There exists here a complete violation of the rule of *stare decisis*. With the applicability otherwise of the *Rock Spring v. Gaines* case, *supra*, its statement is of peculiar significance that (p. 320):

> "* * * But it seems to have become established, and, however it may be disputed in reason, there is no opposing consideration. As said by Circuit Judge Sanborn in Layton Pure Food Co. v. Church & D. Co., 32 L. R. A. (N. S.) 274, 104 C. C. A. 475, 182 Fed. 35, 39: 'Uniformity and certainty in rules of property are often more important and desirable than technical correctness.'"

If the long-established and accepted rule that the specification of goods in a registration is procedural rather than substantial is to be reversed after thirty-six years, it is submitted that this Court is the only source of an adequate ruling.

Point 3.

The doctrine of expansion of business to related products applies as well to a case of infringement of a technical registered trade-mark as to a case of unfair competition. Manifestly, a requirement that the trade-mark registrant actually manufactures the disputed products prior to the use thereon by the junior user of the infringing mark,

which is the ruling of the Eighth Circuit Court of Appeals, is unsound.

The Eighth Circuit Court of Appeals stated (R. 1218):

> "It is urged by plaintiff that under the doctrine of expansion of business it is entitled to an unhampered use of its trade-mark 'Rex' on products normally considered as of its manufacture. As has already been pointed out, plaintiff's suit is based upon an alleged *infringement of a registered trade-mark.* The bill contains no averments of unfair competition, nor, indeed, is it alleged that purchasers are deceived into buying the products of defendant in the belief that they come from plaintiff. *It is doubtful whether the doctrine of expansion of trade is applicable in a case of alleged infringement of a technical registered trade-mark. Rosenberg Bros. & Co. v. Elliott,* 3 Cir., 77 F. (2d) 692." (Emphasis added.)

Why, we ask, is there this discrimination by the Eighth Circuit Court of Appeals against a "technical registered trade-mark"? Certainly, registration of a trade-mark does not and should not narrow its scope, although that is exactly what the Eighth Circuit Court of Appeals does by its ruling just noted, taken in conjunction with its ruling in respect to the description of goods section of the registration certificate. Certainly, if registration is to destroy the expansion of business doctrine as applied to the particular mark, then the several hundred thousand registrants throughout the world have been very foolish indeed in spending money to curtail the remedies otherwise open to them for infringement of their marks, which is touched upon further under Point 5, *infra.*

This Court has never before ruled upon the doctrine of expansion of business to related products. As a matter of fact, this Court has never even ruled upon the interpretation of the words "same descriptive properties" in the

statute. As is pointed out below, the Circuit Courts of Appeals rule generally contrary to the present decision.

Needless to say, the doctrine is of great importance to all sellers of products under trade-marks. Hardly any concern or individual, wealthy or otherwise, expects to confine its line of goods to the specific articles currently produced. Yet, under the ruling of the Eighth Circuit, there can be no protection in the field, even though it be as close as are glass nursing bottles to glass prescription bottles. The manufacturer of one kind of bottles is forever constrained to that type, if another produces a different type before the first can do so.

We respectfully point out that the Eighth Circuit Court of Appeals was led into its error in respect to the *Rosenberg* case, *supra*, by an incomplete quotation of the respondent included in its main brief on appeal. Certainly, the *Rosenberg* case is no authority for the ruling that the expansion of trade doctrine is inapplicable in a case of technical registered trade-mark infringement. It is *authority* for *exactly the opposite position.* We pointed this out in our main brief before the Eighth Circuit Court of Appeals. We here quote in full the pertinent portion of the *Rosenberg* case (p. 963):

> "Although the law of trade-marks and the law of unfair competition are closely related * * * it should be kept in mind that, though alike in principle, they are enough unlike in practice to admit of raising and trying different issues. Yet the distinction between these similar laws is not always observed, as we have found from an inclination of counsel rather frequently to cite the decisions of this court in Akron-Overland Tire Co. v. Willys-Overland Co. (C. C. A.), 273 F. 674, and Howard Wall v. Rolls-Royce of America, Inc. (C. C. A.), 4 F. (2d) 333, as authority for finding infringement of a trade-mark by its use on different but related wares and sometimes as authority for infringement by use on wares that are not related.

We pause to note that those cases are not authority on the law of trade-mark infringement at all, for each was tried and decided on the single issue of unfair competition, * * *.

"As the complainant in this case has not charged the respondent with unfair appropriation of its trade-name, but has charged him with infringement of its trade-mark and with unfair competition by unfair advertising practices, the law of Akron-Overland Tire Co. v. Willys-Overland Co. and Howard Wall v. Rolls-Royce of America, Inc., is not in terms applicable to either issue of the case under review. *The case at bar, however, directly raises for the first time in this circuit the question which it has frequently been thought this court decided in those two cases. In order to avoid confusion in our decisions we shall treat the precise question here raised as one of first impression.*" (Emphasis added.)

It is manifest, therefore, that the court was *merely* pointing out the fact that the cases of *Akron-Overland Tire Co. v. Willys-Overland Co.*, 273 F. 674, and *Wall v. Rolls-Royce*, 4 F. (2d) 333, are unfair competition cases and are not authority for finding infringement of a trade-mark by its use on different but related wares. The court there, however, does *not* deny the existence of the expansion of business doctrine in respect to trade-marks. It considered the doctrine as a new problem in the Third Circuit in respect to registered trade-marks and held it clearly applicable. How can even an inference be drawn from the case respecting denial of the doctrine when the court concludes with (p. 964)

"* * * Specifically there is a difference between coats, vests, pants, overcoats and hats and caps. There is no doubt about that. But on a charge of infringement courts, advancing a step from the old law, are to-day less concerned with the species than with the class of goods on which a trade-mark has been used.

> When it has been used by the owner and by another on goods of the same class, though different in species, the question whether they are so closely related—so near akin—as to be regarded as having the 'same descriptive properties' arises."

and thereupon *found infringement.*

With the foregoing case analyzed, there remains no authority for the novel ruling of the Eighth Circuit Court of Appeals. We have found no case which denies the application of the expansion of business theory to technical registered trade-marks, a theory which goes hand in hand with the same descriptive properties clause of the statute.

Since the *Rosenberg* case from the Third Circuit is in direct conflict with this decision of the Eighth Circuit, it is submitted that only a ruling by this Court can resolve the conflict and provide a uniform law for the entire country.

While the *Rosenberg* case, presenting as it does the direct conflict, is the only one analyzing the point specifically, there is a long line of cases accepting the applicability of product expansion of business to registered trade-marks, so that there is unquestionably a situation here wherein the Eighth Circuit has disregarded the value of *stare decisis*, grown up by contrary interpretation for the thirty-five years of existence of the 1905 Act. Among such cases are:

> *Aunt Jemima Mills Co. v. Rigney & Co.*, 247 F. 407 (C. C. A. 2);
> *Landers Frary & Clark Co. v. Universal Cooler Corp.*, 85 F. (2d) 46 (C. C. A. 2);
> *Pocono Rubber Cloth Co. v. Livingstone Inc.*, 79 F. (2d) 446 (C. C. A. 3);
> *Mantle Lamp Co. v. Aladdin Mfg. Co.*, 78 F. (2d) 426 (C. C. A. 7);

Cf. Hydraulic Press Brick Co. v. Stevens, 15 F. (2d) 312 (C. C. A. 5).

The rule has been widely applied by the Patent Office, indicating that if the Eighth Circuit rule is proper, extensive changes must be made in Patent Office practice. Among such cases are:

Cluett, Peabody & Co. v. Wright, 46 F. (2d) 711 (C. C. P. A.);
Simplex Electric Heating Co. v. Gold Car Co., 43 App. D. C. 28.

In view of the production of such confusion by the enunciation of the Eighth Circuit Court of Appeals, and the lack of any guiding ruling by this Court, it is thought that the matter is one singularly appropriate for granting this writ.

In addition to its refusal to apply the doctrine of expansion of business to related products, the Eighth Circuit also in effect completely destroyed the doctrine. The Court, wrongly applying the case of *Emerson Electric Mfg. Co. v. Emerson Radio & Phonograph Co.,* 105 F. (2d) 908, held that one may not expand his business to a related field if, prior to the actual expansion, another has entered the expanded field. A reading of the *Emerson* case discloses that the part of it quoted by the Eighth Circuit Court of Appeals related solely to a matter of notice, not to the general doctrine of expansion of business.

The previously applied doctrine is that one may protect his mark against use on related products because he may reasonably be expected to make such products. (Here, the "related products," nursing bottles, actually were being made by petitioner, though not under the disputed trademark. It cannot be denied, therefore, that making nursing bottles is an expected adjunct to making prescription bottles.)

According to the present decision, such protection against invasion in related fields is not possible unless the original owner is actually within those fields. But then, with actual present occupancy, there is no *expansion* of business. In other words, the Eighth Circuit limits recovery to actual *presently* made products.

Under any interpretation of the Eighth Circuit decision, that is destruction of the rule.

This Court has never ruled upon the doctrine of product expansion of business. All of the foregoing citations did apply it, and could not have done so if the rule established in the Eighth Circuit were proper. After years of employing the rule so that commercial and legal practices have been firmly established, it is submitted that, if the rule is to be destroyed, it should be done only by this Court.

To say the least, the state of confusion wherein a trademark owner in St. Louis has one measure of protection against interstate commerce, and has an entirely different one in New Jersey, New York, and other jurisdictions, is one that should be removed.

Point 4.

It is at once apparent that the findings of fact upon which the District Court based its opinion are in direct conflict with the findings upon which the Court of Appeals based its reversing opinion. There is an irreconcilable conflict between the two decisions. But the findings of fact of the District Court in respect to the descriptive properties of the goods and the similarity of the marks involved must be accepted as correct, unless clearly shown to be erroneous.

Rule 52 (a) of the *Rules of Civil Procedure* states in part:

> "* * * Findings of fact shall not be set aside *unless clearly erroneous,* and due regard shall be given

to the opportunity of the trial court to judge of the credibility of the witnesses." (Emphasis added.)

This language is clear and unambiguous.

This Court and the Circuit Courts of Appeals, including the Eighth Circuit up to this time, have been consistent in holding that the findings of fact of the District Court are presumptively correct and should not be disturbed *unless clearly erroneous.*

Adamson v. Gilliland, 242 U. S. 350, 61 L. ed. 356;
U. S. v. United Shoe Machinery Co. of N. J., 247 U S. 32, 62 L. ed. 968;
Cramer v. U. S., 261 U. S. 219, 67 L. ed. 622;
Esso, Inc., v. Standard Oil Co., 98 F. (2d) 1 (C. C. A. 8) 1938;
F. W. Fitch Company v. Camille, Inc., 106 F. (2d) 635 (C. C. A. 8);
Stubnitz-Greene Spring Corp. v. Fort Pitt Bedding Co., 45 USPQ 52 (C. C. A. 6);
United States Industrial Chemical Co. v. Theroz Co., 25 F. (2d) 387, 389 (C. C. A. 4).

In the *Adamson* case, *supra,* this Court said:

"* * * or so far as there is any testimony consistent with the finding, it must be treated as unassailable."

In the *Esso* case, *supra,* a very recent case, the Eighth Circuit Court of Appeals said (p. 4):

"As has already been observed, the lower court found all the material facts in favor of plaintiff. These findings are presumptively correct, and while not conclusive on appeal in an equity suit, they will not ordinarily be disturbed, unless it appears that a serious mistake has been made in the consideration of the evidence, or an obvious error has been committed in the application of the law."

Yet, in the present case, the Eighth Circuit Court of Appeals, *without attempting in any manner to point out the fact that the findings of the District Court were "clearly erroneous,"* reversed the findings of the District Court that had an opportunity to judge of the credibility of witnesses and proceedings.

The Eighth Circuit Court of Appeals reversed the lower court both in respect to the marks and the goods involved here. The Court took its action without in anywise pointing out wherein the findings of the District Court were clearly in error and *in the face of evidence substantiating the findings* of the lower court. In respect to the marks, the Court said (R. 1217):

> "It cannot be said that 'Pyrex' is a colorable imitation of 'Rex.' There is no claim that defendant's trade-mark was not adopted in good faith. In fact, it has neither the appearance nor the sound of 'Rex.' *But regardless of this fact,* defendant's trade-mark is not affixed to products of substantially the same descriptive properties." (Emphasis added.)

The foregoing is all that the Court said in respect to the marks and it is clear that the Court was not convinced of its conclusion in respect thereto, but actually relied upon its conclusion that the goods were not of the same descriptive properties. This point of goods of the same descriptive properties returns us to the two points already discussed which determined the Court's conclusion. We thereby see that the bases of the Court's conclusion are really the two far-reaching rulings respecting the description of goods in the trade-mark registration and the expansion of business doctrine as applied to technical registered trade-marks. The decision cannot be right at all if the two rulings are wrong.

Therefore, in view of *Rule 52 (a)*, the decisions of this Court, the decisions of the Eighth Circuit Court of Appeals

prior to its decision in this case, and the decisions of the other Circuit Courts of Appeal, the Eighth Circuit Court of Appeals is fundamentally in error in reversing the findings of fact of the lower court, which are manifestly not clearly erroneous, particularly when the Court did not point out wherein they are erroneous, and was primarily influenced in its reversal by its novel and unsound rulings in respect to the statement of goods clause in a registration required by the Federal Trade-Mark statute and the doctrine of expansion of business to analogous goods. We submit that this Court should review the rulings of the Eighth Circuit Court of Appeals in respect to the marks and goods involved here.

It is of great significance, even if the Eighth Circuit had not based its ruling upon the erroneous two points of disclaimer and expansion of business, that this Court has never ruled upon the 1905 Trade-Mark Act in respect to the phase of whether goods have "the same descriptive properties." This most vital part of the statute is so widely subjected to a mass of utterly confusing decisions that our eminent opponent, Mr. Edward Rogers, in an article in the *1921 Bulletin* of the *U. S. Trade-Mark Association,* page 51 said:

> "There is no need even to attempt to reconcile the mass of decisions of the Court of Appeals and of the Patent Office on what goods are and what are not of the same descriptive properties. No sane man who values his sanity would try it."

The Assistant Commissioner of Patents referred (23 *Georgetown Law Jour.* 1935, p. 456) to the condition as

> "* * * the extraordinary conflict in the decisions."

A distinguished author (*Nims, Unfair Competition and Trade-Marks,* p. 579) has said of the term "same descriptive properties":

"• • • To the lawyer it is the synonym of confusion: to the layman it is meaningless."

Whatever may be said for the difficulty of applying facts to any rule, there is the legal difficulty that different courts apply wholly different and irreconcilable rules. And, if this Court will ever consent to enumerate which *rule* shall be followed, at least half of the confusion can be eliminated. But, so far, except for one case stating that the statutory phase "same descriptive properties" applies to corporate names (*American Steel Foundries v. Robertson,* 262 U. S. 209, 67 L. ed. 953), which, of course, offers no guide as to what the words mean, this Court has never ruled at all.

The prevailing trend of modern opinion applies the "likelihood of confusion" test.

B. F. Goodrich Co. v. Clive E. Hockmeyer, 40 F. (2d) 99 (C. C. P. A.);
California Packing Corp. v. Tillman & Bendel, 40 F. (2d) 108 (C. C. P. A.);
Mantle Lamp Co. v Aladdin Mfg. Co., 78 F. (2d) 426 (C. C. A. 7);
L. E. Waterman Co. v. Gordon, 72 F. (2d) 272 (C. C. A. 2);
Yale Electric Co. v. Robertson, 26 F. (2d) 972 (C. C. A. 2).

In the *Yale Electric Co.* case, *supra,* the Second Circuit Court of Appeals flatly rejected the test employed herein by the Eighth Circuit that the petitioner's nursing bottles have different descriptive properties from respondent's nursing bottles because they are different in "material, appearance and price." The Second Circuit said (p. 974):

"• • • We cannot say that that is the case here, for the fact that flashlights and locks are made of metal does not appear to us to give them the same descrip-

> tive properties, except as the trade has so classed them. But we regard what the trade thinks as the critical consideration, and we think the statute meant to make it the test, despite the language used."

Of course, the Eighth Circuit test is patently absurd, aside from being untrue as to all except a mild distinction in price. Both petitioner's and respondent's nursing bottles are glass; both look exactly like nursing bottles.

Certain it is that the decision of the Eighth Circuit, if it could possibly be justified on the basis of old decisions, is in conflict with the above recent decisions representing a prevailing trend.

As one eminent text writer (Dr. *Dehrenberg, Trade-Mark Protection and Unfair Trading,* p. 441) has said:

> "It is hoped that the Supreme Court, which has not yet had occasion to express itself on this point, will adopt the view taken of 'descriptive properties' in the 'Yale' decision."

Point 5.

The effect of the important federal questions untenably decided by the Eighth Circuit Court of Appeals is of great public importance and interest.

The Eighth Circuit Court of Appeals' rulings that the description of the goods in the registration is a disclaimer and that the expansion of business to analogous goods doctrine does not apply to a technical registered trade-mark, which are discussed above under Points 1-3, require further discussion on the basis of the fact that they are of great public importance and interest. It requires but a casual consideration of the rulings to show the startling and far-reaching results thereof if sustained as sound.

The Eighth Circuit Court of Appeals' ruling in respect

to disclaimer of *all* goods not specifically stated in the certificate renders registration of a trade-mark a precarious proposition. Furthermore, all of the several hundred thousand registrations now validly existing are literally bound up within the registrations, if the Eighth Circuit Court of Appeals is correct, for the description of the goods upon which the marks have been used tells the world that the registrants disclaim *all* other goods not specifically mentioned. If the Eighth Circuit Court of Appeals' ruling in respect to the expansion of business doctrine being not applicable to registered technical trade-marks be considered with the foregoing, then the line of demarkation is crystallized to the point where all of the registrants have lost their recourse under the same descriptive properties remedial section of the Trade-Mark Act.

Surely, the intent and clear meaning of the Federal Trade-Mark Statute is not that a registrant be penalized, but that he be afforded the protection and remedies so clearly set forth therein. Manifestly, the several hundred thousand registrants that have complied with the Federal Trade-Mark Act did not pay the required fees for the purpose of *eliminating* vital rights and remedies which existed under the common law. Yet, if the rulings of the Eighth Circuit Court of Appeals are sound, that is just exactly what the several hundred thousand registrants have done, for each and everyone is now vulnerable in respect to all goods related to those upon which the marks were registered which are not mentioned specifically in the registration. If the ABC Company has registered the trade-mark "Fabiline" for hats and caps, then today the XYZ Company can, under the rulings of the Eighth Circuit Court of Appeals, register the same trade-mark "Fabiline" for men's shirts, or men's suits, or any wearing apparel, and the ABC Company is without recourse in respect to infringement of its registered trade-mark, which

is, of course, directly contrary to the *Rosenberg* case, discussed *supra*. By the rulings of the Eighth Circuit Court of Appeals, the ABC Company, by its registration, has disclaimed men's shirts, and men's suits, since it only included in its registration hats and caps and, on the other hand, it is barred from invoking the expansion of business doctrine to cover those unspecified goods of the same descriptive properties as hats and caps. The situation is simply impossible.

If the rulings of the Eighth Circuit Court of Appeals are sound, then the owner of a trade-mark will be better off in respect to its rights by refraining from registering it. The Eighth Circuit Court of Appeals made no ruling on a common law trade-mark in respect to the expansion of business doctrine and, therefore, the doctrine still applies to them. Manifestly, the present federal registration statute fails to fulfill its objectives if the court below is correct.

Clearly, therefore, since the aforesaid rulings of the Eighth Circuit Court of Appeals are so fraught with public importance and interest, the petition should be granted so that they may be reviewed by this Court.

CONCLUSION.

In conclusion, therefore, it is submitted that the decision of the Eighth Circuit Court of Appeals, reversing the District Court and contrary to the decision of the Patent Office in the proceedings between these parties, in every phase presents serious conflicts with the accepted interpretation of the Trade-Mark Act of 1905 and its 1906 amendment, and these conflicts represent profound influences on the *Act* itself which has never in any of these respects been subjected to ruling by this Court. The interests both of the petitioner and of the public are involved in the rulings

of the court below. Hence, we urge that this petition for writ of certiorari be granted so that the important questions more particularly touched upon above may be considered and ruled upon by this Court.

Respectfully submitted,

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